

National Capital Region Transportation Planning Board

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Item 13

MEMORANDUM

October 21, 2009

TO: Transportation Planning Board

FROM: Ronald F. Kirby
Director of Transportation Planning

SUBJECT: Status Report on Extension of the SAFETEA-LU Transportation Authorization, Rescission of FY 2009 Transportation Contract Authority, and Development of a New Six-Year Transportation Authorization

This status report on the extension of SAFETEA-LU, the rescission and the new six year transportation authorization is based upon my on-going review of major transportation newsletters and the press. The following are the key points:

- The Safe, Accountable, Flexible, and Efficient Transportation Equity Act - A Legacy for Users (SAFETEA-LU) of 2005 expired on September 30, 2009.
- During the last days of September, the House passed a three-month extension while Senate leaders and the White House backed off their calls for an 18-month extension.
- Last minute efforts in the Senate to repeal a rescission of \$8.7 Billion of FHWA federal contract authority as required under the Energy Independence and Security Act of 2007 were not successful. The rescission took effect on September 30.
- On Sept 30, Congress passed a 30-day continuing resolution which keeps spending programs at FY 2009 levels. However, the FHWA funding level was reduced due to the rescission which means that the October 2009 apportionment is about \$1 Billion less than in October 2008.
- The House favors a three-month extension of SAFETEA-LU to December 31, in hopes of forcing action on a full six year bill by the end of the year. The Obama Administration and Senate leaders support an 18-month extension.
- House leaders , construction groups and major transportation

interest groups continue to support a \$500 Billion six-year reauthorization bill to advance job creation and support an economic stimulus.

- Many congressional proponents of a robust six-year bill have strongly touted its economic and job stimulative benefits.
- No current consensus exists in either the House or Senate on how to pay for a repeal of the rescission or for a \$500 Billion six-year bill.
- Decisions on what to do about either extending transportation authorizations beyond October 31 will likely not be finalized until the last week of October.